

18.228: Ar 3/4/20

Business Information Service

Research

U. S. DEPARTMENT OF COMMERCE

CHARLES SAWYER, Secretary



BUREAU OF FOREIGN AND DOMESTIC COMMERCE
OFFICE OF INDUSTRY AND COMMERCE

H. B. MCCOY, Director

Washington, D. C.

15 cents

September 1952

AREA AND INDUSTRIAL DEVELOPMENT PUBLICATIONS (No. 20)

AREA DEVELOPMENT DIVISION

Victor Roterus, Chief

FUTURE OF OUR NATURAL RESOURCES

The President's Materials Policy Commission, established about a year ago as a result of growing concern over the state of our resources and our ability to support a constantly rising economic output, has issued a 5-volume report on its studies and findings. This report is concerned not only with present problems but also with those which may be expected within the next generation. Its scope extends beyond the United States on the theory that there is no such thing as a purely domestic policy toward materials that the entire world requires.

A recurring pattern is described in area after area, namely, soaring demands, shrinking resources, consequent pressure toward rising real costs, risk of wartime shortages, and the ultimate threat of a decline in our standard of living. Examination of the Nation's resource base (production and consumption of materials other than food and gold in 1935-39 dollars) shows that by 1950 the U.S. had already outgrown this base, having a -9 percent production deficit, and that by 1975 this deficit may increase to -20 percent. This thesis of the U.S. as a resource deficit nation is not new, but the thoroughness with which this thesis has been developed and documented is. The theme throughout is that the over-all objective of a national materials policy should be to insure an adequate and dependable flow of materials at the lowest cost consistent with national security and the welfare of friendly nations. The lists of sources presented in each volume will be helpful to researchers in related fields.

Volume 1 points out that despite materials shortage problems, absolute shortages do not constitute the real threat, which inheres rather in the "insidiously rising costs which can undermine our rising standard of living, impair the dynamic quality of American capitalism, and weaken the economic foundations of national security." It adds, "The central challenge of the materials problem is therefore to meet our expanding demand with expanding supplies while averting a rise in real costs per unit."

It is estimated that U.S. demand in 1975 as compared with 1950 will be about as follows: for minerals as a whole, nearly double; for agricultural products, about 40 percent higher; for energy in all forms, double; for industrial water, about 170 percent; and for timber, an increase of only 10 percent.

In this first volume the Commission points out that the use of vital minerals rises twice as fast as the total use of all other materials. It recommends that the existing rates of percentage depletion (a stated percentage of gross annual income established to induce risk capital to enter the mineral industries) be retained but not increased; that Congress reconsider recent additions to the list of materials now subject to percentage depletion in the light of principles set forth; and that present limitations applicable to minerals other than oil and gas as to the amount of permitted "expensing" of exploration costs, be removed.

In the treatment of water supply and use, the Commission finds merit in the majority recommendation of the Commission on Organization of the Executive Branch of the Government (Hoover Commission), endorsed by the President's Water Resources Policy Commission, for a Federal board of review that can appraise the costs and benefits of proposed Federal development projects from a comprehensive national viewpoint.

As the world's largest single importer and exporter of many materials and products, the U.S. is stated to be in a particularly effective position to lead in simulating the flow of materials by removing its own trade barriers. It is pointed out that the U.S. can remove its import restrictions and join with other nations in international actions to reduce tariffs, export and import quotas, currency restrictions, and cartel agreements. It is recommended that the Buy American Act of 1933 and similar provisions of State and Federal laws be repealed as relics of depression years and depression psychology, as ignoring the Nation's growing need for imported raw materials, and as inconsistent with the rapid and most economical acquisition of a stockpile.

Volume 2 is a long-range survey of prospects of the U.S. and the free world for 30 key commodities, such as metallic and nonmetallic minerals, chemicals, and rubber. Included are reports on such scarce and essential commodities as tin and manganese, the requirements of which are imported 100 percent and 90 percent, respectively.

Volume 3 presents studies in the energy field, covering coal, electricity, power, natural gas, and oil. Although voicing cautious optimism as to the Nation's long-term energy position, it warns that within the last 5 years the demand for crude petroleum has begun to outstrip domestic production.

Volume 4 explores the promise offered by technology. Underlying a number of the Commission's recommendations in the minerals field is the conviction that improved techniques of exploration can be developed and applied to find, on economic cost terms, mineral deposits now hidden and unknown.

Volume 5 contains a selected number of studies which were prepared at the request of the Commission and which examine the policies of the U.S. and Canada toward the mineral industries, as reflected in Government programs and existing laws.

All five volumes are published under the general caption *Resources for Freedom*. Volume 1, *Foundations for Growth and Security*, 184 pp., \$1.25; Volume 2, *The Outlook for Key Commodities*, 210 pp., \$1.50; Volume 3, *The Outlook for Energy Sources*, 43 pp., 50 cents; Volume 4, *The Promise of Technology*, 228 pp., \$1.75; and Volume 5, *Selected Reports to the Commission*, 154 pp., \$1.25—all for sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. June 1952.

EXPLORATION PROGRAM FOR DEFENSE MINERALS

In order to encourage the discovery and development of additional deposits of strategic and critical metals and minerals essential to our national security, the Defense Production Act of 1950, as amended, authorized the allocation of necessary funds and establishment of the minerals exploration assistance program now being carried on by the Defense Minerals Exploration Administration. A detailed explanation of this program is presented in a question and answer booklet just released by that agency. At the outset it is explained that the Government will not contribute money for "prospecting" or "grubstaking" as they are commonly understood. One of the basic requirements is that the applicant for assistance must either own, lease, or otherwise have and maintain a legal interest in the land on which the project is to be carried out. The booklet lists the 34 metals and minerals covered by the program. The Government's share of the exploration will be 50, 75, or 90 percent of the allowable cost, depending on the metal or mineral involved. If ore is produced after exploration, the Government must be repaid for its contribution on a percentage royalty basis until the entire amount has been repaid, or until the end of the period of 10 years from the signing of the exploration contract, whichever comes first. No interest is charged on the money contributed by the Government.

The Defense Minerals Exploration Program is available without charge from the Defense Minerals Exploration Administration, U.S. Department of the Interior, Washington 25, D.C. 1952. 20 pp.

PROGRESS OF DEFENSE PROGRAM REVIEWED

Progress in the national defense program has been reviewed by the Acting Director of Defense Mobilization for the quarter ending June 30, 1952. The total value of deliveries in all military procurement and construction programs during this quarter is estimated at \$8 billion, 20 percent over the previous quarter.

It is stated that Congress, in its provisions for extending the stabilization provisions of the Defense Production Act until April 30, 1953, severely weakened the fight against inflation through (1) exemption of all fresh and processed vegetables from price control, although these items account for 20 percent of the food budget of the average family; (2) elimination of the authority of the Federal Reserve Board to control consumer credit and virtual elimination of its authority to control housing credit; and (3) termination of rent control on September 30 except for "critical defense housing areas" and incorporated cities, towns, and villages where local governing bodies declare by resolution that Federal rent control should continue.

In the realm of economic expansion, it is expected that 1952 will see a new record in total investment in new plant and equipment—\$24.1 billion, which is slightly higher than the \$23.3 billion total of 1951 and 35 percent above the \$17.8 billion of 1950.

Expenditures for stockpiling during the quarter are estimated at \$345 million as compared with \$162 million in the first quarter and a low point of \$94 million in the last quarter of 1951.

Discussion of efforts to assist small business to share adequately in economic expansion includes reference to the fact that 15 defense production pools, including 390 small firms with a total of 17,300 employees, have been organized to enable such groups to perform contracts which would be beyond their scope individually.

Present per capital income, after taxes and after adjustment for changes in the value of the dollar, is stated to be almost exactly what it was just before the Korean invasion two years ago.

Defense Mobilization—The Shield Against Aggression: Sixth Quarterly Report to the President by the Director of Defense Mobilization, is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. June 1952. 51 pp. 30 cents.

INDUSTRIAL EXPANSION AT ALL-TIME RECORD

Our productive capacity is increasing at an all-time record rate which exceeds even the best gains of World War II, according to a recent release. The \$50 to \$60 billion which will be spent for new facilities during the 4-year period of expansion upon which we are embarked will increase our industrial capacity by 15 to 20 percent. At the end of this period (1955) it is estimated that the gross national product will be about \$380 billion, figured at 1951 prices, as compared with about \$100 billion in 1940. The half-way point in this program has been passed, as about 52 percent of the new facilities planned for under present mobilization goals is in place, and by the end of 1953 the program is expected to be 94 percent complete.

Industrial Growth: Expansion Under the Mobilization Program, May 1952, 4 pp., available without charge from the Defense Production Administration, Washington 25, D.C.

CERTIFICATES OF NECESSITY STILL IMPORTANT IN DEFENSE EXPANSION

During the 5-week period May 23 to June 26, 1952, a total of 1,348 certificates of necessity (rapid tax amortization on defense facilities expansion) were approved, representing a proposed investment of more than \$1.3 billions. This amounts to a weekly average of 270 certificates, with a proposed investment of nearly \$265 millions, and indicates that these certificates are still an important incentive for development of defense facilities. This shows also that the present requirement for dispersion of new or expanded plant facilities will have important effects. As of June 20, 1952, 11,529 certificates of necessity had been approved for the whole program representing a proposed investment of nearly \$21.3 billions.

The States which received one percent or more of the Nation's total proposed investment represented by certificates of necessity approved as of June 20, 1952, with the percent going to each, were as follows: Pennsylvania 12.1, Texas 11.5, Ohio 8.4, Michigan 7.0, California 6.7, New Jersey 5.6, Illinois 5.5, Minnesota 4.0, Indiana 3.8, Louisiana 3.6, Connecticut 3.1, New Jersey 2.3, West Virginia 1.8, Alabama and Washington 1.7 each, Kentucky and Maryland 1.4 each, Montana 1.3, Missouri 1.1, and Arkansas, Mississippi, Oklahoma, and Wisconsin, 1.0 each.

"Certificate of Necessity" advance press releases are issued weekly by the Defense Production Administration. DPA-385 covers June 20-26; DPA-380, June 13-19; DPA-370, June 6-12; and DPA-365, May 30-June 5; and DPA-360, May 23-29, 1952. Single copies may be obtained without charge from the Distribution Section, Division of Printing Services, U.S. Department of Commerce, Washington 25, D.C. The distribution of these certificates as of June 20, 1952 by State and by major industry group is given in *Defense Programs: Federal Aids for Facilities Expansion*, July 10, 1952, available without charge from the Office of Progress Evaluation, Defense Production Administration, Washington 25, D.C.

APPRAISAL OF INDUSTRIAL GROWTH IN THE WEST

A current study of western industry answers the following basic questions among others:

- (1) Are western plants making a larger proportion of the goods consumed in the West than they did 10 years ago?
- (2) Are western-owned plants increasing in proportion to branch plants of eastern companies?
- (3) Will the national defense program aid or retard the long-term development of industry in the West?
- (4) Is the West doing an adequate job of exploiting its industrial possibilities?

Question No. 1 is answered with a qualified "no," for although in the 1940-50 decade the number of industrial production workers per thousand people increased 38 percent in the West as against 32 percent for the Nation, a considerable part of the West's new industry (notably the aircraft industry) has not supplied western markets. It is shown that with all its diversification and expansion, that region still has no plants producing sheet glass, cotton fabrics, car or airplane motors, or auto body stampings, and there is no immediate prospect of such developments. The West's production is shown as still a fraction of its consumption of farm equipment, shoes, tinware, radios, refrigerators, dishwashers, and similar goods in the appliance field. The region is still a heavy importer of consumer and capital goods.

Question No. 2 is answered with a probable "no," for although many small plants and some large ones have been started in recent years by westerners with local capital, more new jobs and dollar volume of output have probably come from branch establishments. The latter have long been major factors in the industrial growth of the West and western capital has shown a preference for non-industrial types of investment.

Question No. 3 is answered in favor of the program, but with the qualification that some areas of the West will benefit from the national defense program aid more than others. It is observed that the shipbuilding activity of World War II is conspicuous for its absence from the present program. It is also stated that certain types of defense production, such as light metals and explosives, make heavy demands on power, water, and other basic resources with a relatively small addition to local employment. The permanent military establishments which have been located in the West largely because of climatic conditions and the availability of suitable land are cited as probably most important in their influence on the region's industrial growth.

Question No. 4 as to whether the West is doing an adequate job of exploiting its industrial development is answered in the negative in the sense that the job is not adequate unless it keeps industrial growth abreast of western needs for employment, tax revenues and general economic health. The West has hardly been inactive in the promotional field, but it is claimed that most of these activities have been confined to a few metropolitan centers and have exploited local rather than regional potentials.

An appendix presents statistics on employment and value added by manufacture, and a short selected bibliography.

Industrial Growth in the West: A study of Major Trends and Problems, by Stuard Parry Walsh, is published by the Bureau of Research, University of Santa Clara, Santa Clara, Calif. April 1952. 28 pp. \$1.

SDPA ISSUES FIRST MANAGEMENT AID FOR SMALL BUSINESS

The Small Defense Plants Administration has inaugurated its series of Management Aids for Small Business with a concise guide for selling to the Federal Government. It is stressed that if a manufacturer wishes to sell to the Government, he must pursue a course as skillful and persistent as he would if selling his traditional civilian market, with even greater emphasis upon competitive prices and the added responsibility of knowing and following procedures required by Government purchasing offices. In describing the two methods of buying employed by Federal procurement offices, the reader is reminded that buying by negotiation, rather than by advertising for competitive bids, is intended primarily to save time, not to lessen competition. During the present emergency, the procurement agencies have been authorized to make greater use of negotiated purchasing, and they are doing so to an increasing extent.

This guide covers the following subjects in detail: buying by advertising for bids, getting on bidders lists, preparing bids and proposals, and SDPA assistance and general suggestions.

Management Aids for Small Business No. 1 may be obtained without charge from field offices of the Small Defense Plants Administration or of the U.S. Department of Commerce. June 1952. 6 pp.

AIDS FOR TEXTILE MANUFACTURERS SEEKING DEFENSE ORDERS

Progress made by research scientists working for the Army Quartermaster Corps in developing water repellent fabrics and clothing and in controlling yarn treatment and cloth construction to provide the desired shrinkage limits in knitted woollens, is now available to prospective suppliers and the public. A manual on water repellent fabrics and clothing describes the basic technique which has been developed for measuring water resistance, fabric and garment design for water resistance, water repellent treatments, and water repellent wool. The other guide deals with the effect of construction on the laundering shrinkage of knitted woollens.

PB 105661, *Quartermaster Research on Water Resistant Textiles*, 1952, 186 pp., \$5. and PB 104048, *Effect of Construction on the Laundering Shrinkage of Knitted Woollens*, 1951, 16 pp., 50 cents, may both be obtained from the Office of Technical Services, U.S. Department of Commerce, Washington 25, D.C. Check or money order should be payable to the Treasurer of the U.S.

CONGRESSIONAL REPORTS ON SMALL BUSINESS AND CONTROLLED MATERIALS

The Select Committee on Small Business, House of Representatives, has released a summary report on problems of small business under the Controlled Materials Plan, in addition to four separate earlier reports on its hearings on this subject held in August 1951, October 1951, February 1952, and March 1952; also a separate report on the allocation of oil-country tubular goods under the Controlled Materials Plan.

In its weekly staff report to its members, the Select Committee on Small Business states that the small-business share of the Department of Defense prime contract dollar rose to 23.8 percent during April, compared with 18.7 in March and 12.4 in February. For the first ten months of the past fiscal year this participation stood at 18.9 percent contrasted with 20.9 percent during the fiscal year 1951.

Problems of Small Business Under the Controlled Materials Plan—A Summary Report, 1952; Problems of Small Business Under the Controlled Materials Plan—Allocation of Oil-Country Tubular Goods, 1952; Hearings Before Subcommittee No. 3 of the Select Committee on Small Business, House of Representatives: Part 1, for August 1951; Part 2, October 1951; Part 3, for February 1952; and Part 4, for March 1952. The Weekly Staff Report to Members is dated July 12, 1952. All of these reports may be obtained without charge from the Select Committee on Small Business, House of Representatives, Washington 25, D.C. Part 3 of the Hearings was mentioned previously in our bulletin of November 1951.

PROGRESS ON VARIOUS CENSUSES

State reports for the 1950 Census of Agriculture have been published for Tennessee, Iowa, Missouri, Virginia and West Virginia, and for Hawaii, and reports for additional areas will be available shortly.

The final release in the preliminary series (PC 7) of the 1950 Census of Population was No. 6, *Educational Attainment of the Population 25 years Old and Over, for the United States: 1950*.

The Series P-A (Population Vol. I preprints) bulletins have been published for all States, the D.C. and minor possessions. These give official population counts for each State, also 1950 population for each county and minor civil division within the county, and for each incorporated and unincorporated place of 1,000 or more population. For incorporated places of 5,000 or more the population is shown by wards.

Bulletins for the following States have been published in Series P-B (preprints of Chapter B, Vol. II of the 1950 Population Census): Arizona, Arkansas, Colorado, Delaware, Idaho, Maine, Montana, Nevada, North Dakota, New Hampshire, New Jersey, New Mexico, Oregon, South Carolina, South Dakota, Utah, Vermont, and Wyoming. These bulletins contain statistics on the general characteristics of the population for the State, each county, the rural-nonfarm and rural-farm parts of each county, each urban place of 2,500 inhabitants or more, and totals for each urbanized area and standard metropolitan area. Limited data are presented for places of 1,000 to 2,500. The data published for urban places of less than 50,000 inhabitants, for counties, and for urbanized areas will be the most detailed given in any Census reports for such areas.

Of the 213 Block Statistics Bulletins (Series H-E) on housing, all have been issued except those on Chicago, Houston, Los Angeles, New York City, Philadelphia, and Toledo. Series HC-7 (vacant dwelling units) has also been issued for all States. Series HC-8 (advance housing characteristics) bulletins are available for Delaware, Maine, Nevada, New

Hampshire, and Vermont. In Series HC-9, which will include a miscellaneous group of housing reports, the only release to date is one entitled "Mortgaged, Residential, Nonfarm Properties Acquired During 1949 and First Half of 1950."

The volume *Annual Survey of Manufactures: 1949 and 1950*, which appeared in May, represented the first annual volume based on the Annual Survey of Manufactures. Future survey volumes will cover single years only, beginning with 1951.

As there has been an increasing recognition of the value of materials-consumption statistics, both by analysts concerned with the availability of materials at various stages of processing and by business groups concerned with markets for their products, the 1953 Census of Manufactures will represent a one-third expansion of this feature over the 1947 Census. The materials program of the 1951 Census will follow the two basic approaches of the preceding census (complete coverage and special purpose coverage) and will also place additional emphasis on important inputs into important industries with a view to measuring the most important material flows throughout the manufacturing economy. It is not designed, however, to cover all of the materials consumption of an industry, nor "across the board" consumption of any given material.

The recent release of volumes I, II, and VI of the 1948 Census of Business, two covering the retail trade and one on the service trade, complete the publication program of this Census, except for a small number of special trade reports and a monograph on Manufacturers Sales Agents, which will be published soon.

The first of the Bureau's new Monthly Retail Trade Reports, containing estimates of the dollar volume of sales in retail stores, has been released. These reports furnish data in this field secured from a probability sample representing for the first time all types and sizes of retail stores. These monthly reports cover almost 100,000 stores, whose dollar volume of retail sales accounts for almost 25 percent of the total for all retail stores.

The Bureau of the Census is making a series of pilot studies in various parts of the country to test certain aspects of the program for the 1953 Census of Transportation. This will be the first general census of its kind. It will consist mainly of (1) a survey of truck ownership to determine the physical characteristics of the vehicles, their ownership, location and use; (2) a survey of for-hire trucking establishments or motor carriers to obtain such data as the number of employees, payrolls and revenues; (3) collection of data on commodity movements by type of carrier; and (4) preparation of a handbook of transportation statistics.

The Census of Governments, which is scheduled to be taken every five years, was planned for 1952, but was canceled because no appropriation was made for this purpose. However, the *Compendium of State Government Finances in 1951*, an annual feature, is available from the Superintendent of Documents.

The various Census series mentioned may be obtained from the Bureau of the Census, U.S. Department of Commerce, Washington 25, D.C., or from the field offices of that Department. The other reports are for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.

COUNTY AND CITY DATA BOOK

A single volume now brings together county and city data from the 1948 Census of Business, the 1947 Census of Manufactures, the 1945 Census of Agriculture, and other sources. Published by the Bureau of the Census as a supplement to the *Statistical Abstract*, this work represents a revision and consolidation of two earlier supplements, the *County Data Book* issued in 1947, and the *Cities Supplement* issued in 1944. It presents in compact form 101 selected items of data on economic and social characteristics of each county, and 92 items for each of about 400 of the larger cities in the United States. The county items are further summarized for standard metropolitan areas, geographic regions, divisions, and States.

County and City Data Book, 1949 is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. 1952. 500 pp. \$3.50.

SUMMARY OF STATE INDUSTRIAL FACILITY SURVEYS

A tabular summary of State industrial facility surveys has been prepared from questionnaires sent to all States and territories in December, 1951. This information was gathered by the Association of State Planning and Development Agencies at the request of Small Defense Plants Administration, to which more detailed information has been made

available. The purpose is to aid the defense effort and to assist in obtaining a better distribution of defense subcontracts to small plants throughout the country.

The compilation is in two parts. Part I lists State industrial directories, giving the date of the current publication and of the next revision planned; the Standard Industrial Classification group followed (if any); and the name and address of the publisher. Part II lists State inventories of production facilities, showing whether such an inventory has been taken, the form in which available, and the source.

State Surveys of Industrial Facilities, prepared by the Association of State Planning and Development Agencies, 1313 60th St., Chicago 37, Ill. 1952.

INDUSTRIAL DEVELOPMENT IN SOUTHERN STATES ANALYZED

The continuing industrial boom in the southern States and the competition it presents to the northern States is the subject of a series of 10 articles by a newspaper correspondent, based upon a 2,500 mile trip through the southern States.

"Industrial Growth of the Southern States," by John Wickland, is the title of a series of 10 articles reprinted from the Minneapolis Morning Tribune, Minneapolis, Minn., April 1952.

COMMUNITY EXPERIENCE WITH INDUSTRIAL FOUNDATIONS

The organization and results of many industrial foundations which have been successful in attracting new industry to communities are described in a recent New Hampshire publication. The subjects covered are: the problem that confronted the community, the organization, financial procedure, results to date, and effectiveness. Particularly interesting is the Scranton (Pa.) story, where the depletion of coal veins and the decline of employment in the coal industry led the local Chamber of Commerce to incorporate the following affiliates: (1) Scranton Plan Corporation, that manages Murray Corporation war-surplus plant; (2) Scranton Lackawanna Building Company, that builds plants to prospects' specifications; and (3) Scranton Industrial Development Company, that purchases and leases plant space. In 3 years 15 community-financed plants were put in operation, housing 12 newly acquired concerns.

So You Want a New Industry?: Here's the Way Other Communities are Doing It, published by the New Hampshire State Planning and Development Commission, Concord, N. H.

NEW ENGLAND INDUSTRIAL FOUNDATIONS RESURVEYED

To bring up to date the information on New England industrial foundations, the Federal Reserve Bank of Boston has resurveyed the activities of all known privately financed industrial development corporations in that region. The major assistance rendered by most of these corporations is the provision of plant space on a rental or long-term purchase basis, either in new or existing buildings. The new survey shows that 36 New England communities now have such corporations, of which 15 have built 27 new plants for manufacturers and 17 have acquired existing factories and have sold or leased space to new occupants. Almost 300 manufacturing concerns, with about 27,000 workers and a \$75,000,000 annual payroll, are occupying space made available through these means.

The survey report shows that these industrial foundations, which operate at the community level, represent only one method of providing financial assistance to new and small manufacturers. The Development Credit Corporation of Maine and the New Hampshire Business Development Corporation employ State-wide approaches to the problem. They provide venture capital or long-term credit by making calls on members (commercial banks, savings banks, and insurance companies) for funds to assist promising firms. Usually the Development Credit Corporation takes a position senior to that of the local building corporation when they join forces to provide funds for plant construction.

Reasons why industrial development corporations are needed include the following: (1) many small businesses and individuals contemplating the establishment of manufacturing operations have difficulty in accumulating funds for building plants because of the high level of personal and corporate income taxes; (2) many firms that are able to finance buildings prefer to lease them, so that they can concentrate attention and capital on manufacturing operations; (3) rental payments are chargeable against taxable income, an advantage that is offset by the inability of a firm leasing space to deduct depreciation and interest on a mortgage, unless flexible rental payments allow a tax advantage through variable deductions from taxable income; and (4) many industrial foundations are organized

as nonprofit corporations and have certain tax advantages which may be passed on to the tenant. Even those organized as profit corporations generally operate on a cost or close to cost basis, which enables them to offer attractive leasing arrangements.

"N.E. Industrial Development Corporations," an article appearing in the June 1952 issue of the *Monthly Review*, published by the Federal Reserve Bank of Boston, Boston, Mass. 5 pp.

INDUSTRIALIST SUGGESTS SPECIAL INFORMATION FOR COMMUNITY SURVEYS

Labor availability, both as to quality and quantity, is often the most important consideration in the location of a new plant, according to a Westinghouse official. Thus the local chamber of commerce should be prepared to conduct a special survey to determine the number of people within a radius of 10 or 15 miles who would be interested in working in a modern industrial plant of the type under consideration. This survey should reveal for each registrant such factors as age, sex, education, skills, home address, present employment, and approximate wage. Up-to-date unemployment figures should also be developed for the area.

Wages that existing local industries are paying and fringe benefits enjoyed by their employees are also important. New industries feel a moral obligation in entering a new community to conform with local standards as nearly as possible and at least long enough to soften the impact. They wish to avoid stirring up resentments which might be caused by offering at the outset the incentives of higher wages and more fringe benefits in addition to the better working conditions usually afforded.

"How You Look to An Industrial Prospect," a speech by G. E. Garnhart, is discussed in *Newsletter of Florida Industry*, No. 6, issued by Florida State Improvement Commission, P.O. Box 930, Tallahassee, Fla. June 1952. 10 pp.

MUNICIPAL FINANCING OF PLANTS REJECTED BY FLORIDA SUPREME COURT

The Supreme Court of Florida has ruled that the town of North Miami may not finance an industrial plant with revenue bonds. The decision was unanimous, with one judge not participating. Portions of the decision follow:

"We have gone at some length to discuss and distinguish some of the cases so strongly relied upon by the appellee. This Court has approved special acts of the Legislature authorizing advertising programs, the acquisition of land, for golf courses, parks, playgrounds and recreational and hospital centers. The Court has also approved special acts authorizing the construction of buildings which served a public purpose and many other acts authorizing counties and municipalities to acquire property and make improvements to public property which served a public purpose. In none of the cases decided by this Court since the adoption of our present Constitution have we approved any special legislative acts which authorized any of the political subdivisions or governmental units of the State to acquire property and erect buildings thereon for the exclusive use of a private corporation for private gain and profit.

"Every new business, manufacturing plant, or industrial plant which may be established in a municipality will be of some benefit to the municipality. A new super market, a new department store, a new meat market, a steel mill, a crate manufacturing plant, a pulp mill, or other establishments which could be named without end, may be of material benefit to the growth, progress, development and prosperity of a municipality. But these considerations do not make the acquisition of land and the erection of buildings, for such purposes, a municipal purpose.

* * * * *

"The financing of private enterprises by means of public funds is entirely foreign to a proper concept of our constitutional system. Experience has shown that such encroachments will lead inevitably to the ultimate destruction of the private enterprise system.

* * * * *

"There is no similarity between this case and those where the legislature authorizes a municipality to establish a sewage system, a water system, an electric light plant, or to furnish some other public utility or service essential to the welfare of all the people of a municipality; or for the exercise of the police power for slum clearance, or for the removal of blighted areas, or some such other undertaking for the protection and conservation of public health, or to eliminate crime-breeding places or to conserve the morals, or protect the lives and limbs of the people."

Newsletter of Florida Industry No. 6, Issued by Florida State Improvement Commission, P.O. Box 930, Tallahassee, Fla. June 1952. 10 pp.

INTERLOCKING DIRECTORATES REPORT

An analysis of interlocking directorates in the United States focuses on 1,000 largest manufacturing corporations and discusses separately the nature and extent of their interlocking practices. The appendix shows the distribution of these corporations by industry group, with the number in each group; the ranking of these firms in 1946, according to assets, within the group and in all manufacturing; also separate ranking lists for 100 largest commercial banks, 20 largest investment banks, 50 largest investment trusts, 17 largest life insurance companies, 9 largest fire and casualty insurance companies, 25 largest railroads, 50 largest public utilities, 10 largest wholesale trade companies, and 50 largest retail stores.

Report of the Federal Trade Commission on Interlocking Directorates is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. 1951. 510 pp. \$1.25.

OUTLINE FOR REGIONAL ECONOMIC BASE STUDIES

The outline for an economic base study of the Arkansas-White-Red River Basins, currently underway, covers such items as population, labor force and employment, income, chief patterns of economic activity, natural resources base, health, housing, education and recreation, opportunities for development, and future economic developments.

Economic Base Study, Arkansas-White-Red River Basins, prepared by the Economic Base Work Group, Arkansas-White-Red Basins Inter-Agency Committee, is available from the Area Development Division, U.S. Department of Commerce, Washington 25, D.C. 1952. 45 pp.

A COUNTY APPRAISES ITS BUILDING AND ZONING LAWS

A carefully prepared appraisal of the building and zoning laws of Allegheny County, as they exist under the statutes of the Commonwealth of Pennsylvania, has been published. Twenty-one pages of conclusions and recommendations are presented.

Pennsylvania Building and Zoning Laws—An Allegheny County Appraisal, by David W. Craig. A study by the School of Law of the University of Pittsburgh for the Allegheny Conference on Community Development, 508 Magee Building, Pittsburgh 22, Pa. 1951. 323 pp. Application for copies should be made to the Conference.

COUNTY INCOME ESTIMATES FOR SEVEN SOUTHEASTERN STATES

The recent publication of county income estimates for seven Southeastern States represents significant progress in the breakdown of State income estimates for local areas as a factual basis for plant location, sales promotion and management, government finance policies, resource development, and research.

This undertaking is also an example of regional cooperation which might well be emulated in other areas as a means of developing such information. A meeting of representatives of southern economic and business research institutions held in 1949 led to the organization of a Conference on the Measurement of County Income, comprised of the universities of Alabama, Georgia, Kentucky, Mississippi, North Carolina, Tennessee, and Virginia, and of the Tennessee Valley Authority. Implementing contracts were signed by the participants in order to facilitate the work, and a series of committees were established to guide its policies. Assistance was enlisted from the National Income Division of the U.S. Department of Commerce, which develops income data on a national and State basis.

A separate volume describes the methodology employed. Methods were developed for making estimates of some 80 components of income received by individuals in each county in the region and these methods were used in allocating separately to the counties the U.S. Department of Commerce State estimates. Other areas interested in developing similar data will find useful the 6-page bibliography which accompanies the county data.

County Income Estimates for Seven Southeastern States—A Report of the Conference on the Measurement of County Income, by John Littlepage Lancaster. 1952. 246 pp. \$5.; *Methods for Estimating Income Payments in Counties—A Technical Supplement*, by Lewis C. Copeland. 1952. 108 pp. \$3. Both volumes are in processed form and are published by the Bureau of Population and Economic Research, University of Virginia, Charlottesville, Va.

KANSAS ATLAS PUBLISHED

A Kansas atlas, presenting facts of interest to industry, is a good example of the fruits of cooperation. It was prepared under the direction of the State's industrial

development commission, with cartography by a professor of the Department of Geography, University of Kansas, and assistance from the staffs of the State's Geological Survey, Highway Department, and Bureau of Agricultural Economics. The atlas is in color.

Kansas Atlas, Kansas Industrial Development Commission, 903 Harrison St., Topeka, Kans. 1952. 32 pp. Price is not indicated.

SOUTH DAKOTA SUMMARIZES ITS MINERALS RESOURCES AND DEVELOPMENT

A summary of minerals resources and their development in South Dakota was recently published by that State. In concise 2-page chapters each of 19 minerals and a miscellaneous minerals group are covered from the standpoint of commodity description, use, and State production. Included is a directory of mines, mills and quarries reported to the State Inspector of Mines for 1949, and a brief selected bibliography.

Mineral Resources of South Dakota, published by the South Dakota Natural Resources Commission, State Capitol Building, Pierre, S. D. April 1952. 41 pp.

POPULATION ANALYSIS AND CITY PLANNING

Although population analysis is basic to city planning, neither planners nor demographers have developed a theory and methodology adequate for the purpose. This challenging statement prefaces a current paper on the relation of demography to city planning. Many illustrations are cited to show that almost everything the planner does is measured in relation to population—its size, distribution, and composition. The examples include studies of industrial water supply, transit facilities, city recreation space, shopping centers, and zoning regulation of population density.

The specialized needs of city planners require a different type of population analysis from the traditional demographic type, according to this article. City planners are primarily interested in population at the local level—metropolitan areas, census tracts, and even blocks—whereas demographers have traditionally been concerned with larger areas. To city planners, past census data are useful only as a springboard for current or future estimates. An emerging problem for the planner is the need for daytime (as opposed to resident) population, broken down by small areas. In general, it is felt that city growth is based largely on migration, which in turn depends on local employment opportunities, whereas projections at the national level are largely a result of alternate hypotheses regarding birth and survival rates.

Neither planners nor demographers have consistently contributed to literature on research in small area estimates, and textbooks on the subject are quite inadequate, it is stated. City planning staffs are credited with the greatest volume of work in local population research, but most of their studies are described as severely limited in scope or technique.

"Demography and City Planning," by Robert C. Schmitt, is an article published in *Social Forces*, Vol. 30, No. 3, 1952 and reprinted. 5 pp.

PROBLEMS OF ADMINISTERING A METROPOLITAN AREA

Although the present widespread trend of population toward metropolitan areas renders many of the problems of cities more acute, the solution of these problems is inhibited by the complex structure of local governments in these metropolitan areas. Attempts to resolve the difficulties on an over-all basis are impeded by the unplanned distribution of functions and the existence of overlapping jurisdictions which characterize most of our large urban districts. As a result, the adequate organization of modern metropolitan areas has been well termed "one of the great unsolved problems of metropolitan politics." A currently released study deals with administrative problems in the National Capital Region, which comprises 4 counties, 48 municipalities, and 33 special taxing districts.

This treatise points out that despite the fact that the planning of the national capital has become the concern of both official and lay groups throughout the Nation, the recommendations of the National Capital Park and Planning Commission, the Commission of Fine Arts, and the planning commissions in the suburban areas in Maryland and Virginia have too frequently been ignored, although these organizations have been set up to occupy a central planning position. It is concluded that the government of the Washington Metropolitan Area of the future should be founded on (1) interstate compact, coupled with the establishment of authorities and Federal and State grants-in-aid, and (2) the establishment of the cooperative techniques—coordinating committees, agreements, parallel action, and joint conferences.

Administrative Problems in a Metropolitan Area: The National Capital Region, by Geddes W. Rutherford, is published by the Public Administration Service, 1313 East 60th St., Chicago 37, Ill. 1952. 63 pp. \$2.50.

URBAN LAND USE AND PROPERTY TAXATION

A recent study of this subject concluded that residence accounts for both the largest proportion of urban land use and the largest proportion of municipal general property taxes, but requires the largest percentage outlay—generally more than the revenue yield. It was found, on the other hand, that commercial and industrial uses generally yield a profit because they do not require services costing more than their tax payments. Over half of the total population in the 1940-50 decade occurred in suburban areas on the fringe of metropolitan areas, requiring heavy outlays for augmented or new public services. Yet only a few cities were found to have gathered adequate data on this general subject. The recent trend toward decentralization of business, industry, and population, is forcing cities into a continuously shrinking tax base, requiring them to withdraw provision of essential public services or to develop new forms of taxation.

In Arlington County, Virginia, which differs from a municipality only in form of government and is developing into a regular shopping district for northern Virginia, it was found that 81 percent of its property tax revenue comes from residential areas, whereas these areas account for 93 percent of the total cost of municipal services. On the other hand, Arlington's commercial areas supply 14 percent of the property tax revenue and require only 6 percent of this for their public services, leaving a profit of 8 percent. Likewise the County's industry supplies 5 percent of its total property tax revenue, but requires only 1 percent of its outlay for services, leaving a profit of 4 percent. Detailed statistics are presented for Arlington County and 29 cities showing the relation of municipal costs of the various types of land use to their proportionate supply of general property tax revenues.

Urban Land Use and Property Taxation, by Max S. Wehrly and J. Ross McKeever, is available as *Technical Bulletin No. 18* from the Urban Land Institute, 1737 K St., N. W., Washington 6, D.C. May, 1952. 28 pp. \$2.50. See also *Economic Survey of the Land Uses of Arlington County, Va.*, by Homer Hoyt Associates, on sale by the Planning Division, Department of Public Service, Court House, Arlington 1, Va. September 1951. 59 pp. Price \$5. Checks should be made payable to the Treasurer of Arlington County.

STATUS OF COMMUNITY WAGE STUDY PROGRAM

Wage survey reports have been issued by the Bureau of Labor Statistics for 27 communities and it is expected that by October reports for 40 selected cities distributed in the various regions of the Nation will be available. These releases supply earnings data on an all-industry basis and separately by industry division. Processed tables, providing job averages and distributions of workers by earnings classes, are available in advance of the complete reports.

The cities for which reports have been issued are: Buffalo, Cleveland, Cincinnati, Denver, Detroit, Hartford, Houston, Kansas City, Indianapolis, Memphis, Milwaukee, Minneapolis-St. Paul, Newark-Jersey City, New Orleans, Norfolk-Portsmouth, Oklahoma City, Philadelphia, Pittsburgh, Providence, Rochester, Richmond, St. Louis, Salt Lake City, San Francisco-Oakland, Scranton, Seattle, Worcester. The next report will be for New York City.

Community Wage Survey bulletin reports are for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. Prices range from 15 to 30 cents. The advance processed tables are available from the Division of Wages and Industrial Relations, Bureau of Labor Statistics, U.S. Department of Labor, Washington 25, D.C.

STATES RATED AS TO LIVABILITY

A score card for rating States according to their desirability for residence has been prepared by a private organization. The following factors have been given equal weight, with the suggestion that the user supply his own weights according to the factors which he most desires: climate, sunshine, low mortality from pneumonia, doctors per capita, hospital beds per capita, low infant mortality, population density, per capita income, manufacturing per capita, business firms per capita, E bond sales per capita, population growth in next ten years, income growth per capita, manufacturing growth, construction volume, war plant construction, school teachers per pupil, average pay of teachers, school expenditure per pupil, libraries per capita, local and State taxes, average cost of new city houses, and city crime per capita. Only three values are used, 0 (unfavorable),

1 (average), and 2 (favorable). As climate may vary considerably within a State, a portion of certain States is given a one-point higher rating for this factor.

"Where's the Best Place to Live," a 6-page article appearing in *Changing Times*, May 1952 issue, published by the Kiplinger Washington Agency, Inc., 1719 H. St., NW., Washington 6, D.C. Single copy 50 cents.

HIGHWAY STATISTICS FOR 1950 BY STATES

Statistical and analytical tables of general interest on motor fuel, motor vehicles, highway-user taxation, financing of State highways, highway mileage, and Federal aid for highways are now available by State; also data for the financing of highways by county and local rural governments. Information concerning local street financing is given for the first time.

A table of motor fuel consumption shows the following for the leading consuming States (omitting amounts not consumed within the States):

Area	1950 Motor Fuel		Area	1950 Motor Fuel	
	Consumption (thous. of gals.)	Percent of U.S.		Consumption (thous. of gals.)	Percent of U.S.
U.S.....	40,586,434	100.0	New Jersey.....	1,323,949	3.3
California.....	3,503,053	8.6	Indiana.....	1,236,308	3.0
Texas.....	2,936,704	7.2	Missouri.....	1,178,305	2.9
New York.....	2,684,053	6.6	Massachusetts.....	993,645	2.4
Illinois.....	2,361,554	5.8	Wisconsin.....	989,969	2.4
Ohio.....	2,255,039	5.6	Iowa.....	970,478	2.4
Pennsylvania.....	2,228,336	5.5	North Carolina.....	950,452	2.4
Michigan.....	1,967,092	4.8	Minnesota.....	931,004	2.3

Highway Statistics 1950, prepared by the Bureau of Public Roads, U.S. Department of Commerce, is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C. 1952. 140 pp. 60 cents.

STUDY OF PARTIAL EMPLOYMENT FOR FARM WORKERS

A survey is being made in four selected areas of the South and Southwest covering partial employment of town residents who have done farm work in the last 12 months. The Bureau of Employment Security, U.S. Department of Labor, and the Bureau of Agricultural Economics, U.S. Department of Agriculture, are cooperating in this work. The objective is to determine for the regions surveyed and for the months of April, May and June, the usual employment patterns of hired seasonal farm workers, periods of seasonal unemployment, availability for farm and nonfarm work during these periods, the extent and causes of partial employment, and wages and earnings of seasonal farm workers.

EMPLOYMENT OF THE OLDER WORKERS

The employment, financing, and the role of older people are receiving increasing attention in the United States, where there has been an increase of 34 percent in the number 60 years of age and over in the last decade, and where the average age of the adult population is about 42 years today as against 37 years in 1900.

Experience in the employment of older workers in the Cleveland Area is one of two papers given at a symposium on employment of the older worker held on September 2, 1951 at the annual meetings of the American Psychological Association in Chicago. A bibliography on the subject was mentioned in our previous bulletin.

Employment of the Older Worker: Two Papers and a Bibliography is available from the publishers: The W. E. Upjohn Institute for Community Research, 709 South Westnedge Ave., Kalamazoo, Mich. March 1952. 24 pp.

ONTARIO'S 1952 ANNUAL ECONOMIC SURVEY

The annual economic survey of the Province of Ontario, Canada, published this year, measures statistically as heretofore the economic and social features of each region in the province, but presents for the first time statistics on net agricultural income and consumption of hydro-electric power; also tables on statistical highlights, recreational centers and summary tables by economic regions. To facilitate the correlation of relevant information and the examination of trends, these are discussed from the standpoint of nineteen economic zones rather than for each of the 55 counties and districts of the province.

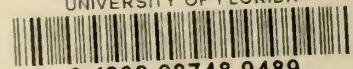
Fourth Annual Economic Survey 1952: Province of Ontario, Canada may be obtained from the Provincial Statistician, Ontario Bureau of Statistics and Research, East Block, Tower, Queen's Park, Toronto 2, Ontario. No price is indicated.

BRITISH COLUMBIA'S REGIONAL INDUSTRIAL INDEX

British Columbia has issued a third edition of its regional industrial index, following the pattern of earlier editions in the geographical tabulation of material, but providing more detailed information on the resources and economic activities of each area. The province's natural resources, industrial facilities, location factors, general economy, and social amenities are catalogued for each of its ten regions, each of which is in turn subdivided into a number of local areas, usually school districts. One of the special features is a large composite industrial map of the "metropolitan area" showing location of railroads and, by color, existing heavy and light industry, potential heavy and light industry, and new housing development.

Regional Industrial Index of British Columbia, 1952 edition, was prepared by the Regional Development Division, Department of Trade and Industry, Parliament Buildings, Victoria, B.C. 416 pp. \$1.

Sterling R. March, Editor
Area Development Division



U. S. DEPARTMENT OF COMMERCE

FIELD SERVICE

Albuquerque, N. Mex. 204 S. 10th St.	Memphis 3, Tenn. 229 Federal Bldg.
Atlanta 3, Ga. 86 Forsyth St. N.W.	Miami 32, Fla. 36 NE. First St.
Baltimore 2, Md. 200 E. Lexington St.	Milwaukee 2, Wis. 207 E. Michigan St.
Boston, Mass. 40 Broad St.	Minneapolis 2, Minn. 607 Marquette Ave.
Buffalo 3, N. Y. 117 Ellicott St.	Mobile 10, Ala. 308 Federal Bldg.
Butte, Mont. 306 Federal Bldg.	New Orleans 12, La. 333 St. Charles Ave.
Charleston 4, S. C. West End Broad St.	New York 18, N. Y. 2 W. 43 St.
Cheyenne, Wyo. 308 Federal Office Bldg.	Oklahoma City 2, Okla. 114 N. Broadway
Chicago 1, Ill. 221 N. LaSalle St.	Omaha, Nebr. 403 S. 15th St.
Cincinnati 2, Ohio 105 W. Fourth St.	Philadelphia 7, Pa. 1015 Chestnut St.
Cleveland 14, Ohio 925 Euclid Ave.	Phoenix, Ariz. 311 N. Central Ave.
Dallas 2, Tex. 1114 Commerce St.	Pittsburgh 22, Pa. 717 Liberty Ave.
Denver 2, Colo. 142 New Customhouse	Portland 4, Oreg. 217 Old U.S. Court House
Detroit 26, Mich. 7th Floor, Griswold Bldg.	Providence 3, R. I. 327 Post Office Annex
El Paso, Tex. 310 San Francisco St.	Reno, Nev. 1479 Wells Ave.
Hartford 1, Conn. 224 Post Office Bldg.	Richmond, Va. 400 E. Main St.
Houston 2, Tex. 430 Lamar St.	St. Louis 1, Mo. 910 New Federal Bldg.
Jacksonville 1, Fla. 425 Federal Bldg.	Salt Lake City 1, Utah 109 W. 2nd St., South
Kansas City 6, Mo. 903 McGee St.	San Francisco 2, Calif. 870 Market St.
Los Angeles 15, Calif. 112 W. 9th St.	Savannah, Ga. 218 U.S. Courthouse & P.O. Bldg.
Louisville 2, Ky. 6310 Federal Bldg.	Seattle 4, Wash. 123 U.S. Court House

For local telephone listing, consult section devoted to U. S. Government